

ESTTA Tracking number: **ESTTA462858**

Filing date: **03/20/2012**

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	91202371
Party	Defendant Jose Alfonso Serrano Gonzalez
Correspondence Address	REFUGIO JOSE GONZALEZ 15213 CORDARY AVE LAWNDALE, CA 90260 2315 UNITED STATES jgonzalez114@socal.rr.com
Submission	Other Motions/Papers
Filer's Name	Refugio Jose Gonzalez
Filer's e-mail	jgonzalez114@socal.rr.com
Signature	/Refugio Jose Gonzalez/
Date	03/20/2012
Attachments	OpposicionMSJ.pdf (11 pages)(1119396 bytes)

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

EMBOTELLADORA AGA DEL PACIFICO,
S.A. de C.V.

Opposer,

v.

JOSE ALFONSO SERRANO GONZALEZ,

Applicant.

Opposition No.: 91202371
Application Serial No.: 85149168
Mark: CABALLITO CERRERO
Filed: October 10, 2010
Published: July 5, 2011
Int'l Class: 33

Applicant's Attorney: Refugio Jose
Gonzalez

**Commissioner for Trademarks
P.O. Box 1454
Alexandria, Virginia 22313-1451**

**APPLICANT'S BRIEF IN OPPOSITION TO OPPOSER'S MOTION FOR
SUMMARY JUDGMENT**

APPLICANT, JOSE ALFONSO SERRANO GONZALEZ ("Applicant"), through his attorneys, hereby opposes EMBOTELLADORA AGA DEL PACIFICO, S.A. DE CV's ("Opposer") motion for summary judgment based on undisputed changed circumstances since its prior application.

Evidence presented herein and that will be presented at the trial in this matter establishes that more than six years since Applicant's last application, Applicant's tequila CABALLITO CERRERO and Opposer's soft drinks CABALLITOS travel through different channels of trade and have been in contemporaneous use with no known actual confusion. These facts support the registration of CABALLITO CERRERO. Accordingly, Opposer's motion for summary judgment based on res judicata and collateral estoppel must be denied.

Summary judgment is only appropriate where there are no genuine issues of material fact in dispute, thus allowing the case to be resolved as a matter of law. Fed. R. Civ. P. 56(c). The party seeking summary judgment bears the burden of demonstrating the absence of any genuine issue of material fact, and that it is entitled to a judgment under applicable law. See *Celotex Corp. v. Catrett*, 477 U.S. 317, 323 (1986). *Sweats Fashions, Inc. v. Pannill Knitting Co., Inc.* 833 F. 2d 1560, 4 USPQ 1793 (Fed. Cir.1987).

The evidence on summary judgment must be viewed in light most favorable to the non-movant, and all justifiable inferences are to be drawn in the non-movant's favor. *Lloyd's Food Products, Inc. v. Eli's, Inc.*, 987 F. 2d 766, 25 USPQ 2d 2024, 2029 (fed. Cir. 1993); *Opryland USA*, 23 USPQ 2d at 1472. The Board may not resolve issues of

material fact; it may only ascertain whether issues of material fact exist. See *Lloyd's Food Products*, 25 USPQ 2d at 2029; *Olde Tyme Foods*, 22 USPQ 2d at 15420.

As the Trademark Trial and Appeal Board has explained in the registration context, "there is nothing to preclude an applicant from attempting a second time... to register a particular mark if the conditions and circumstances have changed since the rendering of the adverse final decision in the first application. *In re Oscar Mayer & Co.*, 171 USPQ (BNA) 571, 573 (TTAB 1971); accord *In Re Honeywell Inc.*, 8 USPQ 2d (BNA) 1600 (TTAB 1988). The question generally in the second proceeding is whether changes in facts and circumstances do exist and, if so, whether they can support the registration. *In Re Honeywell Inc.*, 8 USPQ 2d at 1601-1602. Here, because the changed circumstances include contemporaneous use of the two marks and no actual confusion, it bears directly on Applicant's right to register CABALLITO CERRERO.

Importantly, when the Trademark Trial and Appeal Board made its final prior decision, the only evidence available regarding the sale of tequila CABALLITO CERRERO in the United States was one sale of \$58.00 to one account. Trademark Trial and Appeal Board's final decision in a prior Opposition attached as Exhibit A to Opposer's motion for summary judgment at page 6 states:

"Applicant first used the mark in the United States on August 23, 2006, as evidenced by an invoice indicating a sale in the amount of \$58.00 for "TEQUILA CABALLITO CERRERO REPOSADO 750 ML 12 B/C." Exh. CABA 0001. It appears from the evidence of record that this was applicant's only sale of tequila under the mark at the time of trial."

Since the Trademark Trial and Appeal Board prior decision, more than 200 cases of tequila CABALLITO CERRERO have been imported, sold and distributed in the United States with a value of about \$50,000. (Declaration of Juan Carlos Estrada ¶3). This represents a significant change in circumstances since the last application and more significantly, establish that there has been no actual confusion between the marks. Most of the retail accounts where tequila CABALLITO CERRERO is sold consist of liquor stores, restaurants, night clubs and bars where Opposer's soft drink, CABALLITOS, are not sold. (Declaration of Juan Carlos Estrada ¶4). Therefore, in those establishments, there can be no confusion between Applicant's and Opposer's marks.

Since the Trademark Trial and Appeal Board prior decision, tequila CABALLITO CERRERO has been sold and distributed to a few supermarkets that also carry Opposer's soft drink CABALLITOS. In those accounts, and after presenting tequila CABALLITO CERRERO to thousands of customers, there has been no reported confusion between tequila CABALLITO CERRERO and Opposer's soft drink CABALLITOS. (Declaration of Juan Carlos Estrada ¶5). Additionally, Tequila CABALLITO CERRERO is not promoted with any soft drinks as numerous California ABC rules apply to tequila, but not soft drinks. (Declaration of Juan Carlos Estrada ¶6).

Supermarkets that contemporaneously carry tequila CABALLITO CERRERO and soft drink CABALLITOS sell those products at different and distinct locations within the supermarkets. Tequila CABALLITO CERRERO is normally sold at the front of the supermarkets inside of locked glass casings or cages, while Opposer's soft drink CABALLITOS is sold in the open soft drink section of the supermarkets. (Declaration of Juan Carlos Estrada ¶7). In fact, customers usually need to ask the supermarket clerks to open the glass casings or cages and specifically request products in the glass casings or gates from a clerk that verifies the customer's age. (Declaration of Juan Carlos Estrada ¶7).

Additional new evidence includes how actual customers perceive the two products. Tequila CABALLITO CERRERO has a completely different appearance and presentation than Opposer's soft drink, CABALLITOS. They also have a significant price difference, where a bottle of tequila CABALLITO CERRERO costs about \$25, while a bottle of Opposer's soft drink CABALLITOS costs about .99 cents. (Declaration of Juan Carlos Estrada ¶8).

Experience since the prior decision in selling Applicant's tequila CABALLITO CERRERO revealed that purchasing tequila at a supermarket is not an impulse buy and customers usually know what type of tequila they want to buy before they go to the supermarkets. (Declaration of Juan Carlos Estrada ¶9). Customers look for unique qualities of tequila, like whether it is 100% de agave, whether it is Silver, Reposado or Anejo or whether it comes from the highlands or lowlands of Mexico. Sometimes you can get them to change their mind, but normally that requires explaining to customers the qualities that make your tequila is a better buy. (Declaration of Juan Carlos Estrada ¶9).

Informal surveys of supermarket managers and clerks and they confirm that no customer has expressed confusion between tequila CABALLITO CERRERO and Opposer's soft drink CABALLITOS. (Declaration of Juan Carlos Estrada ¶10). Additionally, Opposer's unfounded prediction of consumer confusion based on the two products being advertised in similar supermarket weekly advertisements has not materialized. Applicant's tequila CABALLITO CERRERO has been advertised in numerous supermarket weekly advertisements and there has been no customer confusion with Opposer's soft drink, CABALLITOS. (Declaration of Juan Carlos Estrada ¶11).

Telling, Opposer's failure to enjoin Applicant from importing, selling and distributing tequila CABALLITO CERRERO in the United States since 2008 is strong evidence that there is no confusion between the trademarks or that Opposer's marks have not been diluted. Laches is a bedrock legal principle based on the equitable maximum that "one who seeks the help of a court of equity must not sleep on his rights." *Jarrow Formulas, Inc. v. Nutrition Now, Inc.*, 304 F.3d 829, 835 (9th Cir. 2002). "It is well established that laches is a valid defense to Lanham Act claims." *See Jarrow Formulas*, 304 F.3d at 835; *Magic Kitchen, LLC v. Good Things International Ltd.*, 63 Cal Rptr.3d 713, 723 (Cal. App.2d Dist. 2007) (App. 2007). The remedies provided in the Lanham Act, for both trademark infringement and dilution claims, are explicitly "subject to the principles of equity." 1125 U.S.C. §§ 1116(a), 1117(a), 1125(c).

The doctrines of res judicata and collateral estoppel are discretionary and will not be applied where the circumstances relating to trademark use and consumer recognition have changed since the prior judgment was rendered. See *In re Bordo Products Co.*, 188 USPQ 512 (TTAB 1975). [Board held that application for registration of BORDO for pitted dates was not precluded by decision in an opposition by the owner of the cited registration against applicant's earlier application for the same mark for the same goods, finding changed circumstances based on affidavits that the goods move through different channels of trade, evidence of contemporaneous use for over fifty years with no known actual confusion, and the failure of the owner of the cited registration to take steps to enjoin applicant from using the mark].

Similarly here, the marketplace circumstances between the time of Applicant's first application for registration of CABALLITO CERRERO and today have clearly changed. Because only \$58 worth of tequila CABALLITO CERRERO had been sold to one account in the United States at the time of the prior decision, and now more than 200 cases, worth about \$50,000, has been sold to more than 150 accounts, circumstances have definitely changed. At the very least, there are additional genuine facts which have a bearing on Applicant's right to register CABALLITO CERRERO.

Accordingly, Opposer's motion for summary judgment must be denied.

Dated: March 20, 2012

Respectfully submitted,



Refugio Jose Gonzalez, Esq.

15213 Cordary Ave.

Lawndale, California 90260

Telephone: (310) 701-2566

Electronic Mail: jgonzalez114@socal.rr.com

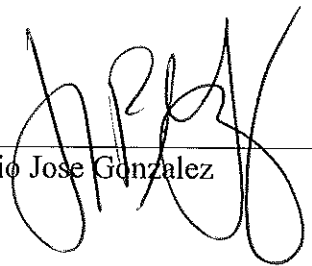
Attorney for Applicant,

JOSE ALFONSO SERRANO GONZALEZ

ELECTRONIC FILING CERTIFICATE

I hereby certify that this paper (along with any paper referred to as being attached or enclosed) is being submitted electronically through Electronic System for Trademark Trials and Appeal ("ESTTA") on the date shown below:

Dated: March 20, 2012



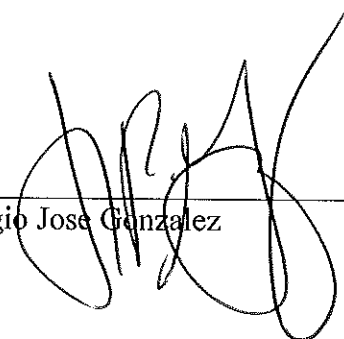
Refugio Jose Gonzalez

CERTIFICATE OF SERVICE

I hereby certify that one (1) copy of this document has been deposited with the United States Postal Service as First Class mail, postage affixed, in an envelope addressed to Opposer's attorneys of record herein as follows:

Michael Martin
Fischbach, Perlstein, Lieberman & Almond, LLP
1925 Century Park East, Suite 2050
Los Angeles, California 90067

Dated: March 20, 2012



Refugio Jose Gonzalez

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

EMBOTELLADORA AGA DEL PACIFICO,
S.A. de C.V.

Opposer,

v.

JOSE ALFONSO SERRANO GONZALEZ,

Applicant.

Opposition No.: 91202371
Application Serial No.: 85149168
Mark: CABALLITO CERRERO
Filed: October 10, 2010
Published: July 5, 2011
Int'l Class: 33

Applicant's Attorney: Refugio Jose
Gonzalez

Commissioner for Trademarks
P.O. Box 1454
Alexandria, Virginia 22313-1451

**DECLARATION OF JUAN CARLOS ESTRADA IN SUPPORT OF
APPLICANT'S BRIEF IN OPPOSITION TO MOTION FOR SUMMARY
JUDGMENT**

I, Juan Carlos Estrada, declare:

1. I am an accounts and sales director at Selective Spirits, Inc. a California corporation that imports, distributes, sales and promotes Applicant's tequila Caballito Cerrero in the United States. I have personal and firsthand knowledge of each fact set forth herein and, if called as a witness, I would and could testify competently thereto.
2. I am a former U.S. Marine with 20 plus years experience in sales and marketing. For the last six years I have focused on importing and selling tequila to many restaurants, night clubs, bars, liquor stores and supermarkets, including, but not limited to, Payless Foods, KV Mart, Northgate Gonzalez, Gigante, Superior, Vallartas, Cardenas.
3. Since December 17, 2008, I have imported, sold and distributed more than 200 cases of tequila Caballito Cerrero into the United States with a value of about \$50,000.

4. I have sold tequila Caballito Cerrero to more than 150 retail accounts, mostly consisting of liquor stores, restaurants, night clubs and bars where Opposer's soft drink, Caballitos, are not sold.

5. Since December 17, 2008, I have sold and distributed tequila Caballito Cerrero to a few supermarkets that supposedly carry Opposer's soft drink Caballitos. I actively promote and advertise tequila Caballito Cerrero at those supermarket accounts. The promotions include, numerous live promotions where sales representatives and myself personally approach customers entering the supermarkets, present tequila Caballito Cerrero and encourage customers to buy it. In regards to those numerous promotions, I have presented tequila Caballito Cerrero to thousands of supermarket customers and at no time has any customer express any confusion between tequila Caballito Cerrero and soft drinks Caballitos.

6. I have never promoted tequila Caballito Cerrero in conjunction with any soft drink in any supermarket as numerous California ABC rules apply to tequila and spirits that do not apply to soft drinks.

7. In all supermarkets where tequila Caballito Cerrero and soft drink Caballitos are contemporaneously sold, they are sold at completely different locations within the supermarkets. Tequila Caballito Cerrero is sold at the front of the supermarkets inside of locked glass casings or cages, while Opposer's soft drink Caballitos is sold in the open soft drink section of the supermarkets. In fact, supermarket customers usually need to ask the supermarket clerks to open the glass cases and specifically request products in the glass casings or gates from a clerk that verifies the customer's age.

8. Tequila Caballito Cerrero has a completely different appearance and presentation than Opposer's soft drink, Caballitos. They also have a significant price difference, where a bottle of tequila Caballito Cerrero costs about \$25, while a bottle of Opposer's soft drink Caballitos costs about .99 cents.

9. In my experience with thousands of supermarket customers, purchasing tequila is not an impulse buy and those customers usually know what type of tequila they want before they go to the supermarket. Customers look for unique qualities of tequila, like whether it is 100% de agave, whether it is Silver, Reposado or Anejo or whether it comes from the highlands or lowlands of Mexico. Sometimes you can get them to change their mind, but normally that requires explaining to customers the qualities that make your tequila is a better buy.

10. I have discussed tequila Caballito Cerrero with numerous supermarket managers and clerks and they have never reported any customer confusion between tequila Caballito Cerrero and Opposer's soft drink Caballitos or any other soft drinks. In fact, I have never heard any customer indicate that they believe that a tequila product is the same as a soft drink product or that they have the same maker.

11. I have advertised tequila Caballito Cerrero in numerous supermarket weekly advertisements and there has been no customer confusion with Opposer's soft drink, Caballitos. Attached as Exhibit "A" is a true and correct copy of a ValuPlus supermarket weekly advertisement dated July 14, 2009, which includes tequila Caballito Cerrero in the liquor section.

I declare under the penalty of perjury that the foregoing is true and correct and this declaration was executed on this the 20th day of March, 2012, in Los Angeles, California.

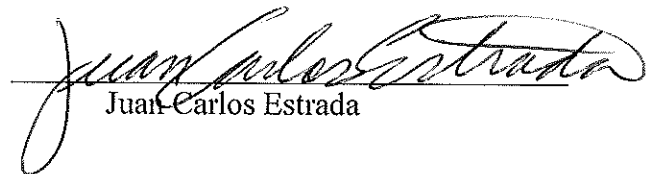

Juan Carlos Estrada

EXHIBIT “A”

HOT
Summer
Savings

Valu+
PLUS
FOOD WAREHOUSE

**"Ahorrros
y Calidad
Todos Los
Días"**

SEE OUR EVERYDAY LOW PRICES THROUGHOUT THE STORE!

Prices Effective Wednesday July 8th thru Tuesday July 14th, 2009

Visit us at
www.kmart.com



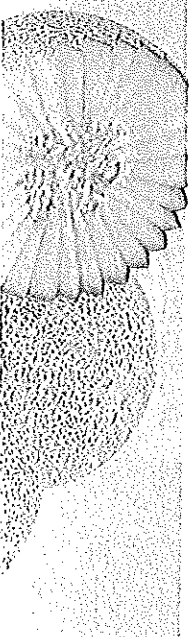
**FRESH
CHICKEN
DRUMSTICKS
OR THIGHS**
FAMILY PACK
PIERNITAS O MUSLO
DE POLLO

79¢
LB



**SOLID HEAD
LETTUCE**
LECHUGAS

49¢
FOR



1.99 **Raw White Shrimp**
31/40 Count
Defrosted
LB

4.99 **OSCAR MAYER MEAT BOLOGNA**
FAMILY PACK, REGULAR, 16 OZ.
LB

5.99 **DONALD DUCK ORANGE JUICE**
64 OZ. SELECTED VARIETIES
LB

3.99 **MAJIBU COCONUT TROPICAL RUM**
750 ML
LB

SAVER! DEAL! & DAIRY

2.19 **CACIQUE QUESO FRESCO**
10 OZ. OR CACIQUE CREMA MEXICANA 15 OZ.

1.89 **OSCAR MAYER MEAT BOLOGNA**
FAMILY PACK, REGULAR, 16 OZ.

1.79 **DONALD DUCK ORANGE JUICE**
64 OZ. SELECTED VARIETIES

1.29 **BAR-S BOLOGNA**
MEAT, CHICKEN OR GARLIC, 16 OZ.

6.91 **JELLEY BROWN GELATINS**
ASSORTED SINGLE COLOR, 4 OZ.

10.94 **DANNON LIGHT & FIT YOGURT**
6 OZ. SELECTED VARIETIES
F.S. 10.94
With In Store Coupon.
Without Coupon 10.10 for \$6.00
PLU #8860

WINE-LIQUOR & THE BEST OF SPIRITS

12.98 **BUDWEISER, BUD LIGHT, COORS, COORS LIGHT, MILLER LITE, MGD BEER**
18 PACK BOTTLES & CANS
+CRV

11.98 **BOHEMIA, DOS EQUIS, SOL BEER**
12 BOTTLES
+CRV

28.98 **BELVEDERE VODKA**
750 ML

24.98 **CAZADORES REPOSADO TEQUILA OR BUCHANAN'S SCOTCH**
750 ML

21.98 **CABALLITO CERRERO REPOSADO TEQUILA**
750 ML
New Trader Vic's Rum 750 ML 7.98

19.98 **JOSE CUERVO TRADICIONAL TEQUILA**
750 ML
Turning Leaf Wines 750 ML 4.98

16.98 **JACK DANIELS BLACK WHISKY OR EL JIMADOR REPOSADO TEQUILA**
750 ML

10.98 **MAJIBU COCONUT TROPICAL RUM**
750 ML
Tisdale Wines 750 ML 2.38